Technical Notes

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Developing Lobbying Capacity for Policy Reform

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Introduction

In many developing countries the policy environment is unfavorable in a variety of different sectors (e.g. business, micro-enterprise, natural resources, agriculture, and exports). If significant change is to occur, then those groups affected by the unfavorable policies need to play a more direct role in influencing change toward a more favorable policy framework. In the past, in countries characterized by closed political systems, only the elites could affect policy change. However, as democratization has swept across Africa and the newly independent states of the former Soviet Union and Eastern Europe, new and multiple avenues of access to policy influence have emerged. Mechanisms for influencing public policy include developing advocacy campaigns, organizing coalitions to move policy in a particular direction, demonstrating support for certain policies, and the common tactic of relying on personal contacts, or even employing blatantly corrupt mechanisms. Although new avenues provide greater opportunity to influence outcomes, many more groups are competing to change policies to serve their interests. It is therefore incumbent on any group wishing to influence outcomes, to acquire and learn those skills that will assist them to compete more effectively. An important tool for influencing such outcomes in democratic polities is through "lobbying". Lobbying can be defined as the effort of individuals or groups of interests to influence policy makers directly and thereby the legislative and regulatory actions of government.

The purpose of this technical note is to stimulate thinking on the types of mechanisms and skills which can be used by groups in their efforts to incorporate lobbying into the strategic management of policy changes.

Why Lobby?

There are several reasons why groups might lobby government (Mack 1988). First, groups may lobby **to obtain benefits or relief not available elsewhere**. For example, consumer groups may seek increased government regulation of certain business practices, while trade associations might lobby to reduce government regulations. Second, a group may lobby **to gain economic benefits** that can only bestowed by law. Farm groups will lobby to extend agricultural subsidies while others argue to eliminate obstacles hampering their access to new markets. Third, groups might lobby **to obtain relief or advantage on one level of government that has been denied at another** (national, departmental, municipal, etc.). In the United States, civil rights groups turned to the federal government in Washington for remedy they could not obtain on the state or local level. Fourth, groups may seek **the creation of beneficial programs** through lobbying, as in the case of business groups support for tax benefits that encourage investment or labor unions lobbying for public works programs that create new jobs for members. Finally, lobbying can assist in **resolving problems that only government can handle**. Frequently, environmental, health, international trade and national security questions can only be addressed through government action. While

motivations for lobbying vary widely, in the final analysis, groups lobby government because government has the power to give them what they want.

Lobbying and Policy Change: Policy reform frequently requires action on the part of large numbers of actors, all of whom may have a stake in policy outcomes and potentially a role to play in influencing the direction of policy outcomes. In general, no single actor is in a position of sufficiently broad authority to single-handedly mandate policy change. The policy maker/implementor will need support if reforms are to be carried out -- it is here that groups with a stake in the outcomes of policy change will be able to play a role. Since the policy maker cannot carry out policy without their support, these groups, through the offer or threat of withholding support, will potentially be able to exercise some degree of influence over the direction of the policy. One mechanism of gaining influence is through the policy lobbying process.

Lobbying and Democratization: While often seen negatively, lobbying plays a vital role in the democratic process. Between elections, interests in civil society have relatively few means to influence policy outcomes. Interest aggregation of larger constituencies by pressure groups and lobbying of policy makers, is a direct mechanism for influencing policy outcomes. With pressure from interest groups, the system becomes more transparent, and officials will become more accountable. For example, through competition interest groups can play a key role in preventing society's wealth, resources and opportunities from serving the interests of the powerful few. One observer notes, "With interest groups knocking on the door, the government ... has been compelled to democratize the policy-making process ..." (Lo 1991: 8). Lobbying performs functions that are fundamental to democratic systems of government. For example, it is a means of government. For example, it is a means of **mitigating conflict:** if multiple interest groups can express their positions in open debate, there is more transparency in the policy process. By attempting to arrive at decisions that mostly closely represent a consensus among the interested parties, the government achieves greater legitimacy.[1]

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[1] Regarding the issue of transparency and open debate, in Taiwan because of numerous scandals involving collusion between business and government, many people are encouraging laws that would decrease

Pressure groups can help facilitate balanced decision-making by **providing needed information, analysis and opinion to government leaders.** Officials, especially in lesser developed countries, frequently lack the information needed to make sound public policy decisions, and interest groups can fill this void in the debate. In the United States, Congressional committees and other policy-making bodies solicit testimony from a wide variety of groups in an effort to air all views and to gain a better understanding of the issues before them. Without such groups, it is likely that the policymaking process in the United States would be considerably more narrow, and the ability of the legislator's constituency to express its demands reduced.

The Nature of Lobbying

Lobbying is a political activity. While lobbying may be carried out by individuals or enterprises interested in influencing the direction or outcome of a particular policy, it is generally associated with organizations holding shared views on policy issues known as interest or pressure groups.   In democractic politics, lobbying tends to be highly competitive, with multiple groups focused on the same issue vying for the attention and vote of policymakers.

Effective lobbying is achieved through the **presentation of persuasive arguments** to the policymaker. Increasingly this means the transfer of information to the policymaker; information which is at once highly selective, condensed and digestible.

That information also should be presented so as to **target the constituency represented and focus on the group's interests**, specifically highlighting the most important and relevant issues from the group's point of view. Such packaging contributes to the group's lobbying being persuasive and convincing to the policy maker.

Also, in lobbying **timing** is crucial. A delay in action could result in defeat for the lobbying group, as there is always another group trying to persuade the policy maker of their point of view. At the same time, presenting or lobbying an issue before it has become salient to the policymaker will cause it to fall on deaf ears.

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the acceptability of back-door persuasion (kuan-shuo) as common practice (Lo 1991).

Finally, if it is to be politically effective, the group should treat lobbying as a **permanent function**. If a group is to be persuasive, it must get to know the policymaker and the system within which the policymaker operates. Since policy climates can vary and because in democratic polities there is regular turnover of policymakers, regular review and monitoring becomes critical to the selection of information and arguments to be presented.

When starting out, an interest group's lobbying strategy may not contain these characteristics. Instead, its approach may be reactive or defensive, with the group simply seeking to defeat what it views as adverse policy. With time, however, these groups may learn to become more proactive and begin to participate in shaping the policy environment in which they operate. The following section describes how a group can develop the capacities for lobbying needed to become more influential.

Some Guidelines for Developing Lobbying Capability

Lobbying is essentially a skill, one that can be learned and adapted to varying circumstances. As with any skill, there are also some fundamental capabilities that need to be developed to take full advantage of what lobbying can offer. The most important of these are a clear understanding of the issues, a solid grasp of how the policy decision-making process works, a keen comprehension of the political environment for policy making, knowledge of who the policy decision-makers are and how they fit into the policy-making process, a good understanding of the organization's resources and limitations, a vision of potential allies or coalitional partners and their potential support, and a clear idea about what it is that makes the organization unique and worthwhile, and why anyone should support its views. There are strategies and techniques that a group can and should develop, or at least use as a guide, for effective lobbying. These are discussed below.

1) Identification of priority themes and issues: The lobbying group must decide which themes and issues are important, and then prioritize, clarify and specify those which are indispensable. The reason for this is simple and fairly obvious: any group will have only limited resources (be they human or financial) on hand for promoting or advocating its collective interests. With few exceptions, interest groups have more interests and needs than can possibly be dealt with under resource limitations. Therefore, the need to

prioritize is imperative. For some groups, this will be a comparatively easy task. The more narrowly focused a group's interests, the more easily such interests can be prioritized. However, groups encompassing a broad range of interests, such as Chambers of Commerce, will find the prioritization task much more difficult as interests of one sub-group within the Chamber may conflict with another.

The prioritization process involves an agreed upon assessment of the needs of the group's interests regarding changes in the policy environment. These might include such issues as changes in or elimination of government restrictions on market entry or access, the establishment or creation of fiscal incentives, the reduction of certain regulations on business operations, or the elimination of government procedures for certain business transactions.

Prioritization Criteria: The prioritization of issues should be determined by degree of impact or concern that it presents to the key interests of the group, the issue's urgency in terms of short-term versus long-term effect, the immediacy of the issue with respect to a possible timetable for treatment or adoption by the government, how hospitable the political environment is with respect to the group's position, the potency or likelihood of success by competing claims, and whether or not the group can feasibly affect the outcome of the policy making and decision process.

Methods: Prioritization may be achieved by a variety of methods. For example, small working groups in specific areas of key interest to the organization may be established. These may be formally established such as in the case of South Africa's Chamber of Business (SACOB), which created permanent working groups which meet regularly to both prioritize and monitor a large number of issues in various areas (e.g., export and trade policy, fiscal and taxation policy,). In another case, South Africa Sunnyside Group (a small business advocacy coalition), informal working groups are formed on an ad hoc basis as issues arise, or when a particular sub-group becomes interested in the issue. When the issue has been dealt with, the task group dissolves.

Once the group's issues have been prioritized, to assure consistency of presentation the group should develop a position statement that clearly lays out the group's position. This may be a formal position paper or simply an outline on a set of transparencies, but regardless of the form that it takes, it should be concise, clear, factual, and moderate in tone. This

document can be used with politicians, policy makers, donor agencies, the press, potential allies and members of the interest group. Where possible, graphs, charts, and diagrams should be used to illustrate concepts visually. Position papers can also be used as the basis for testimony at public hearings or for other public communication.

2) Full understanding of the issue. If a group is to influence policy outcomes, then it is extremely important that it have a solid and clear understanding of the issue in concern. The group should not only be familiar with its own particular interest, but it should also understand and be able to comment on and provide information about alternative or conflicting positions on the issue as well. By providing information to government policymakers to use in formulating policy, groups can gain indirect influence on policy and the policy agenda setting process. A group should strive to develop expertise in the issue areas of concern. The development of expertise, especially in the more technical aspects of the issue, will serve to increase credibility and at the same time create a resource that policy makers can easily call upon. Such expertise can then be put to work by offering the policy maker assistance in preparing speeches on the issues or in developing legislation.

Expertise can be developed in-house or obtained on a contract basis. In-house capacity can be developed in several ways: The organization might assess its own members for issue expertise and then encourage development of that expertise. Groups might be encouraged to develop issue specialists that can be called upon when needed. An in-house policy analysis unit could be created whose principal task is research on issues and the development of alternative positions for the group on key issues. Task groups might be created charged with the examination of and definition of issues in critical policy areas. Such groups can be temporary ad hoc arrangements or more permanent with the aim of developing a continuing expertise. While it is clearly important that groups providing expertise highlight their own point of view, this should not be at the cost of distorting the information or threatening their credibility.

The group should be open to contracting for expertise when needed and develop outside sources of information, including local or international experts on certain issues, government officials responsible for policy planning and implementation, and published information on the issues, such as journals, newsletters, or government documents. The group

might investigate other low cost sources of information, such as working with universities or coalitions with other groups with relevant expertise. The group might also develop mechanisms to reinforce its expert status with stakeholders. This can be done through publication of studies, opinion-editorials, forums, workshops, position papers, issue-analysis reports, political impact reports and the like. The important thing is to make the group's expertise visible.

3) A full understanding of the policy decision-making process with respect to the issue. It is probably obvious that without a clear understanding of how policy decision-making works, it will be difficult to affect the outcomes of the process. However, in many countries, it is often not at all clear how the decision-making process actually works. Although most countries do not lack for written statements and procedures about how policy initiatives are transformed into laws or regulations, it is frequently the case in recently democratized countries or those in transition from authoritarian to democratic rule, that such processes may not be well institutionalized, may still be in flux, may not be well disseminated, or worse, may simply be ignored. If that were not enough, different issues may follow different paths through the decision making process. Nevertheless, the effort expended in comprehending the process will allow the lobbyist to better pinpoint efforts. Once it is known how the process works and who is involved, the alternatives for influence will become clearer.

A variety of mechanisms exist for understanding the decisional process such as policy network analysis, decisional process mapping, decisional structure analysis, or through a step by step outline of the process that an initiative or bill must pass to become a law or regulation. Whatever method selected, it is important that it supply critical detail about how the process works, its sequence, and who is involved. For instance, if the initiative must be passed by the legislative body, who submits the initiative and through what procedure, does the bill go to a committee, which ones, how many "readings" or debates are there, are hearings held, and are the hearings public? What other processes are involved and who is involved in those processes? If one is interested in changing a regulation, how is that accomplished? How are changes proposed, and who can do so? Are legal opinions sought? Are public hearings held?

It is important that the lobby group not fall into the trap of simply assuming that the processes prescribed by the country's law and constitution are those that actually prevail. Generally, an informal decision-making process, which can only be identified by talking with decision-makers or through practice, parallels or substitutes for the formal one. The more closely the lobbyist understands the informal processes the more effective will be the effort. It is also important to note that since issues vary widely in content, no single process fits all cases -- indeed, for each issue, there is likely to be some variation in the "general" process of policy decision making. While it is best for the group to develop its own expertise in this area, especially within the leadership ranks, the group should not hesitate to call upon local knowledgeables (political scientists, journalists) to assist in mapping the process or to validate its findings.

4) Identify the key decision-makers and actors: In addition to understanding the policy decision-making process, it is also critical to know **who makes the decision.** Who are the different actors involved? What can be learned about them and their respective interests or level of information? Where are they -- in which part of the decision making apparatus or at what stage of the process are they located? Are they at the end, or are there points in the process where key decisions will be made? What sort of influence do they have on or over the process or its outcomes? Key actors may be spread among several agencies. For example, if a group is concerned with trade policy, it will find that several ministries might have an influence on that policy. These might include the Ministries of Commerce, Economy, Finance, Industry, and the Central Bank. Each, however, will likely have different sorts of stakes in the policy. Commerce might want to eliminate tariff barriers while finance wants to maintain them in order to minimize a potential budget deficit. If the legislature intervenes as well, then there may be one or more committees that the group will need to be concerned about. The group must therefore learn what specific interests each has and how it can influence those interests.

The group also needs to understand why key actors are interested in a particular issue and what their record has been on it. The group should become sufficiently familiar with these actors to understand what appeals to the decision-makers and how to make the issue attractive to them. The group should know what motivates the decision-maker. It should be able to assess the decision-maker's needs regarding the issue

and how it might help. It should also determine who are the decision-maker's key advisers and how can they be reached.   Does the group have methods for influencing these key actors? Do these key actors have allies that are accessible and can be influenced? A stakeholder analysis can be particularly useful to systematize such information[2] (see IPC Technical Note Number 2, 1992). Once the key decision makers are identified, the group may engage in direct face-to-face lobbying with them.

5) Comprehend the political environment: There are always at least two sides to any issue. Groups will likely compete for favorable outcomes for policies under consideration just as hard as opposing groups. In any political system there are multiple groups or forces trying to capture limited resources. At the same time, forces in society will line up in such a way as to present a favorable political environment for certain groups and their policy interests and a hostile environment for others. If a group is to be effective, it needs to develop a solid comprehension of the political environment and those forces it will have to compete with to achieve its desired policy goals. What does the balance of forces in the environment look like? Does the balance of forces favor the sorts of interests represented by the group? Who are the major players in the system? Are these political parties, other interest groups, parts of the governmental apparatus in the executive branch or the legislature? How do these major players line up with respect to the group's interests? What are the dominant policy tendencies *vis a vis* the groups interests and how can they be characterized?

In democracies (and more especially in developing democracies), the balance of forces can be quite precarious, and may shift from one position to another with unexpected speed. If a group has continuing interests in a particular issue or a variety of issues it is concerned with, then it is important that the group periodically monitor the political environment. There are several tools available to assist in this process. For instance, periodic macro- or micro-political mapping (see IPC Technical Notes nos. 4 and 5) can provide the group with an ongoing assessment of such forces either in terms of its particular interests or in terms of how key decision-makers line up. Force-field analysis (IPC Technical Note no. 5) is another useful tool for

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[2] Stakeholder analysis encompasses a range of different methodologies for analyzing stakeholders, their interests, positions, resources, resource mobilization capacity, etc.

gauging the balance of support or opposition on particular issues. Regardless of the tools chosen, unless a group is only interested in a single issue at one particular moment, it is important that it acquire some mechanism for regular monitoring of the political environment.

6) Understand the group's strengths and limitations: If the group is to be effective then it must have or be able to offer something that will make the decision-maker sit up and take notice. What does the group have that would make a policy maker listen to it? That something might be the group's status or credibility, its ability to mobilize human and/or material resources the number or quality of its membership, its commitment to the issue, its access to decision-makers, or its knowledge of the issue. Does the group have recognized superior knowledge about some issues, and can that be put into digestible, persuasive form for the decision-maker? Does the group have some special social status in society that assures its opinion will be heard? Can the group easily mobilize financial resources to pay for advertising campaigns? Can the group mobilize large numbers of constituents for demonstrations or for letter-writing campaigns? In addition to understanding what the resources are, the group needs to understand what the needs of the decision-makers are, and be able to match its own resources against those needs. If the group lacks critical resources then it must begin to develop them or look for suitable substitutes.

The organization's leaders bear a significant responsibility in promoting the group's interests and developing personal contacts with key decision makers. It is important that the leader understand the group's strengths and limitations, and have a good sense of how to effectively allocate and assign the resources of the group. When and where should expenditures be made? What are such resources likely to produce? Which resources should be emphasized, and which not? The leader should also recognize that while s/he may understand the issues perhaps better than anyone else in the group, s/he may not always be the best person to transmit the group's message. A representative of the interest group who meets with officials to convey the group's position should be credible, possess strong communication skills and the ability to listen. That person may not be the group's leader, but a representative who can best articulate or present the group's interests and views. Indeed, given the choice between a brilliant analyst and one considerably less brilliant but with vastly superior

interpersonal skills, Smucker (1991) argues that one should always opt for the latter.

7) Develop a comparative advantage: A frequent problem in the newer democracies is the sheer quantity of groups competing for the attention of the decision maker. When that is the case it is important that the group be able to differentiate itself from other groups making similar demands on the decision-maker -- the problem is how? One mechanism is through the development of some sort of "comparative advantage" on the part of the group that sets it apart from others. What is it about the group and its interests that is different from others? Does it have special needs or capabilities that make it different from others, and if so, how can those needs or capabilities be expressed or put to use? Even if there are several groups who have very similar interests, a single group can set itself apart from the others by articulating its message to the decision maker in a distinctive way.

In order to be effective, a group's "comparative advantage" must be attuned to the decision-maker's needs. What does the decision-maker need and can the group supply that need? For instance, if the group determines that the decision-maker has fairly constant needs for a certain kind of information, it can specialize in the production of high quality data in that area. In democratic systems, politicians are sensitive to the views of vocal, well-organized and active local groups, especially if an election is approaching. Grass roots advocacy mobilizes local members of allied organizations, and helps to extend and reinforce lobbying efforts. If a group is adept at mobilizing constituents behind certain issues through letter writing campaigns for instance, then the decision-maker may find the group useful when he/she needs to demonstrate real support for a particular measure by pointing to full mail-bags endorsing the issue.

Labor unions have found their mobilization abilities useful in organizing demonstrations backing the positions of certain decision-makers, and demonstrating in opposition of others. On another level, a group can gain advantages with an elected decision-maker through assistance in electoral campaign fund-raising.

8) Identify actual and potential allies and the support they can provide. Not infrequently, a group will discover that it will not be able "to go it alone" in the promotion of a particular issue -- it will need to ally itself with other groups if it is to persuade the decision-maker that its point of view is the worthy one.

Occasionally, a group may find a coalition arrangement necessary to be able to advance its point of view. Joining with other associations in permanent or temporary alliances can be effective in leveraging support and convincing government officials that the interests defended are not just those of a narrow special interest group. Often it is necessary for lobbying groups to work with a coalition of other organizations to have long-term effectiveness. "Although a group may easily enjoy advantages in position and size and disposition of the public concerned with its claims, rarely can any single group achieve its legislative objectives without assistance from other groups" (Khoury 1987: 387).[3] Coalitions reduce the risk for their individual members, but there are costs to working with other groups. For example, a potential ally may exact a fee or favor for their support that is above what the lobbying group is willing or able to pay. In this case, negotiation may be necessary, involving time and effort to determine the importance of the requested support, what the group has to offer, and what other incentives could induce the ally to cooperate. On the other hand, working with others can dilute the issue that is the main interest of one group, but not others.

When considering working with another group, one should exercise caution, regardless of the outward appeal of the other. The group must ask itself: how congruent are objectives? What does the other group bring to the transaction? What is the asking price of their support? How important will the other group's support be? Does the group really need the other's help, and if so, exactly how much? The group should be able to accurately gauge its own needs against what the other can offer. Only by doing so will it be able to reasonably assess how much it will need to give up to obtain the appropriate amount of support. The group

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[3] IPC's West Africa Enterprise Network Project has facilitated the creation of national enterprise networks to serve as the anchor for a strong regional network. National networks have been formed both for the purpose of engaging in dialogue with the government on policy reform to enhance the development of a local private sector capable of contributing to economic growth in each country, and for participating in a regional network of private business persons to promote trade and investment (Orsini and Courcelle 1995).

should also be certain that common priorities exist or can be developed. Should it turn out that the presumed allies are actually pursuing objectives or priorities that are at cross purposes, a coalition or alliance will do more harm than good.

9) Development of constituent communication capabilities. Effective communication of the group's message to the policy decision-maker is perhaps the single most crucial factor in the success of an interest group. While there are a wide variety of strategies and techniques available, it is unlikely that a single strategy will be effective for all issues or will work equally well with all decision-makers. At the same time, alternative strategies will need to be developed for effective communication with the group's public stakeholder-constituents and with its membership. While a relatively detailed report spelling out cost-benefit nuances of certain legislation may be useful for dealing with policy decision-makers, it will probably be much less effective with the general public. The group needs to understand the different audiences it must deal with and those mechanisms likely to work with each.

The group also needs to be informed about and open to the use of different communications approaches. Some of these include position papers, radio and television interviews, flyers for distribution to the public, posters, newsletters, articles in newspapers and magazines, as well as paid ads in the media. As the literature on lobbying attests, communication techniques, especially use of the press, can be highly effective in promoting a group's issue (Laothamatas 1988, Garrity and Picard 1991, Lo 1991). Another highly effective communication technique in the developing world is the public hearing, organized by an interest group, and open to the public at large. The interested parties state the various sides of the issue and the sponsoring organization may often make a policy proposal, which is then open to discussion by the attendees. Also, the group should try using special meetings and sponsoring debates and panels to specifically address issues. The lobbying group should learn not only how to use the media but how to penetrate it, and develop its capacity for interviews and for accessing news or issue programs. The group can underline the importance of certain issues through bulletins or mass mailings, and legitimize the group's point of view with opinion editorials in the press.

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